

REMARKS

The September 3, 2009 Office Action (Hereinafter referred to as, "Office Action") requested the election of one of the following claim groups:

I. Claims 1-7, 14-19, 20-26, 33-39, 40-42, and 64-67, drawn to performing a tax-deferred transaction involving an investor owning a relinquished property by exchanging said property for a replacement, transferring said replacement property to an operating partnership comprising operating units, and receiving operating units in exchange for the replacement property, classified in class 705, subclass 36T.

II. Claim 68, drawn to facilitating a tax-deferred transaction involving an investor or investor partnership, calculating lease payment information entering in an agreement to receive a first interest in said investor partnership, classified in class 705, subclass 36T.

Office Action, pg. 2

Applicants hereby elect with traverse, pursuant to 37 CFR 1.143, Group I. Claims 1-7, 14-19, 20-26, 33-39, 40-42, 64-67.

Notwithstanding the election with traverse, Applicants respectfully request reconsideration of the restriction requirement in light of the remarks that follow.

The undersigned's Remarks are preceded by related comments of the Examiner, presented in small bold-faced type font.

Applicants respectfully submit that the Office Action's restriction is not proper. The MPEP states
the requirements for a restriction to be proper:

803 Restriction - When Proper

Under the statute, the claims of an application may properly be required to be restricted to one of two or more claimed inventions only if they are able to support separate patents and they are either independent (MPEP § 802.01, § 806.06, and, § 808.01) or distinct (MPEP 806.05 - 806.050)).

If the search and examination of all the claims in an application can be made without serious burden, the examiner must examine them on the merits, even though they include claims to independent or distinct inventions.

MPEP, § 803, emphasis added.

Applicants respectfully submit that the Office Action's restriction is not proper because:

a) it has not established that the inventions identified are either independent or distinct and b) it has not established that the search and examination of all the claims in the current application cannot be made without serious burden.

a) The Office Action has not established that the inventions identified are either independent or distinct:

Applicants respectfully submit that the MPEP defines "distinct inventions" in the following manner:

*Related inventions are distinct if the inventions as claimed are not connected in at least one of design, operation, or effect (e.g., can be made by, or used in, a materially different process) and wherein at least one invention is **PATENTABLE** (novel and nonobvious) **OVER THE OTHER** (though they may each be unpatentable over the prior art). See MPEP § 806.05(c) (combination and subcombination) and § 806.050) (related products or related processes) for examples of when a two-way test is required for distinctness.*
MPEP, § 802.01, emphasis added.

Applicants respectfully submit that the Office Action has not established that the identified claim groups "are not connected in at least one of design, operation, or effect."

Moreover, Applicants respectfully submit that the Office Action has not provided an argument to support the conclusion that the claim groups it determines exist in the application are distinct. The Office Action simply provides a conclusory statement regarding each one of the groups. For Example, in relation to Group I, the Office Action states:

4. Inventions I and II are related as combination and subcombination. Inventions in this relationship are distinct if it can be shown that (1) the combination as claimed does not require the particulars of the subcombination as claimed for patentability, and (2) that the subcombination has utility by itself or in other combinations (MPEP § 806.05(c)). In the instant case, the combination as claimed does not require the particulars of the subcombination as claimed because it focuses on transferring a replacement property for partnership units, not on interest in investor partnerships. The subcombination has separate utility such as calculating lease payment information, transferring in exchange for partnership interest.

Office Action, pg. 3

Applicants respectfully submit that subcombinations are not distinct from each other by merely showing that they are separately usable. The MPEP states when subcombinations are restrictable:

806.05(d) Subcombinations Usable Together

Two or more claimed subcombinations, disclosed as usable together in a single combination, and which can be shown to be separately usable, are usually restrictable when the subcombinations do not overlap in scope and are not obvious variants.

MPEP, § 806.5 (d), emphasis added.

The identification of the different groups is justified in the Office Action by reciting some limitations from claims without providing any further explanation. Applicants respectfully submit that these recitations do not conform with the MPEP requirements to provide the reasons for holding of distinctness:

808.01 Reasons for Holding of Independence or Distinctness

The particular reasons relied on by the examiner for holding that the inventions as claimed are either independent or distinct should be concisely stated. A mere statement of conclusion is inadequate. The reasons upon which the conclusion is based should be given.

MPEP, § 808.1, emphasis added.

Moreover, the MPEP further adds that:

814 Indicate Exactly How Application Is To Be Restricted

The examiner must provide a clear and detailed record of the restriction requirement to provide a clear demarcation between restricted inventions so that it can be determined whether inventions claimed in a continuing application are consonant with the restriction requirement and therefore subject to the prohibition against double patenting rejections under 35 U.S.C. 121. Geneva Pharms. Inc. v. GlaxoSmithKline PLC, 349 F.3d 1373, 1381, 68 USPQ2d 1865, 1871 (Fed. Cir. 2003).

MPEP, § 814.

Because the Office Action has not established that the subcombinations do not overlap in scope and are not obvious variants, for at least this reason, the Office Action has not established that the subcombinations are distinct. Thus, Applicants respectfully submit that the restriction requirement was improperly requested.

b) The Examiner has not established that the search and examination of all the claims in the current application cannot be made without serious burden.

In the Office Action, the Examiner has stated:

Restriction for examination purposes as indicated is proper because all these inventions listed in this action are independent or distinct for the reasons given above and there would be a serious search and examination burden if restriction were not required because one or more of the following reasons apply:

- (a) the inventions have acquired a separate status in the art in view of their different classification;**
- (b) the inventions have acquired a separate status in the art due to their recognized divergent subject matter;**
- (c) the inventions require a different field of search (for example, searching different classes/subclasses or electronic resources, or employing different search queries);**
- (d) the prior art applicable to one invention would not likely be applicable to another invention;**
- (e) the inventions are likely to raise different non-prior art issues under 35 U.S.C. 101 and/or 35 U.S.C. 112, first paragraph.**

Office Action, pg. 4.

Applicants respectfully submit that the same MPEP Section that the Office Action has relied on to support the restriction, Section § 806.05(d) clearly states:

Furthermore, restriction is only proper when there would be a serious burden if restriction were not required, as evidenced by separate classification, status, or field of search.

MPEP, § 806.05(d), emphasis added.

Applicants respectfully submit that not only has the Office Action not provided any evidence to support that the claims in Groups I-II belong to a separate classification, status, or field of search, but in fact, the Office Action assigns the same class (705) and subclass (36T) to all groups.

For at least the foregoing reasons, Applicants respectfully submit that the restriction required in the Office Action is improper, and therefore, Applicants respectfully request that it be withdrawn.

CONCLUSION

Group I has been elected. All pending claims are believed to be in condition for allowance. For the foregoing reasons, allowance of this application, as amended, is courteously urged. The Examiner is respectfully requested to reconsider the application at an early date with a view towards issuing a favorable action thereon. If upon the review of the application, the Examiner is unable to issue an immediate notice of allowance, he is respectfully requested to telephone the undersigned at (202) 861-1629 with a view towards resolving the outstanding issues.

The Commissioner is authorized to charge any fees required in connection with this submission to Deposit Account No. 50-2036 with reference to our Docket No. 96448.0002.

Respectfully submitted,
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